RAILROAD COMMISSION OF TEXAS OFFICE OF GENERAL COUNSEL HEARINGS SECTION

OIL & GAS DOCKET NO. 03-0258738

APPLICATION OF CLAY/KATY HOCKLEY, LTD. TO CONSIDER APPROVAL OF A QUALIFIED SUBDIVISION PURSUANT TO STATEWIDE RULE 76, FOR A 157.109 ACRE TRACT, HARRIS COUNTY, TEXAS.

FINAL ORDER

The Commission finds that, after statutory notice in the above-numbered docket, heard on October 14, 2008, the examiners have made and filed a report and recommendation containing findings of fact and conclusions of law, which was served on all parties of record, and that this proceeding was duly submitted to the Railroad Commission of Texas at conference held in its offices in Austin, Texas.

The Commission, after review and due consideration of the examiners' report and recommendation and the findings of fact and conclusions of law contained therein, and any exceptions and replies thereto, hereby adopts as its own the findings of fact and conclusions of law contained therein, and incorporates said findings of fact and conclusions of law as if fully set out and separately stated herein.

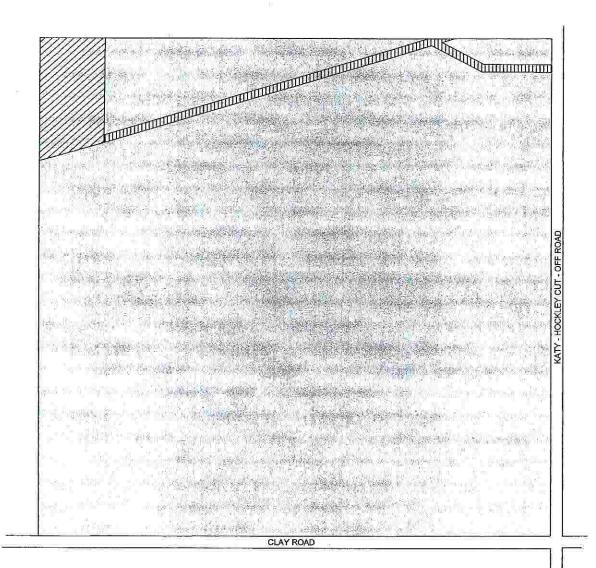
Therefore, it is **ORDERED** by the Railroad Commission of Texas that the application of Clay/Katy Hockley, Ltd. to Consider Approval of a qualified subdivision pursuant to Statewide Rule 76, for a 157.109 Acre Tract, Harris County, Texas as identified on the subdivision plat and surveyors plat attached as Attachments A and B to this Final Order and described in the metes and bounds descriptions of the subdivision, operations site and easement attached as Attachments C, D, and E to this Final Order, located within the J.O. Thomas Survey, A-1497, in Harris County, Texas, be and is hereby **APPROVED**.

Done this 16th day of December, 2008

RAILROAD COMMISSION OF TEXAS

(Order approved and signatures affixed by OGC Unprotested Master Order dated December 16, 2008)

Exhibit A



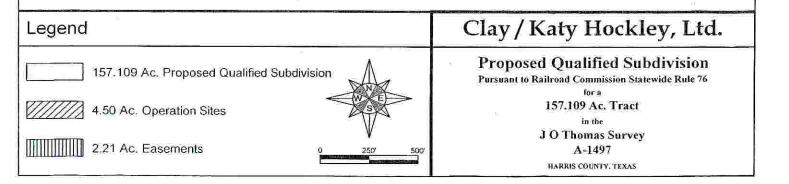


Exhibit B

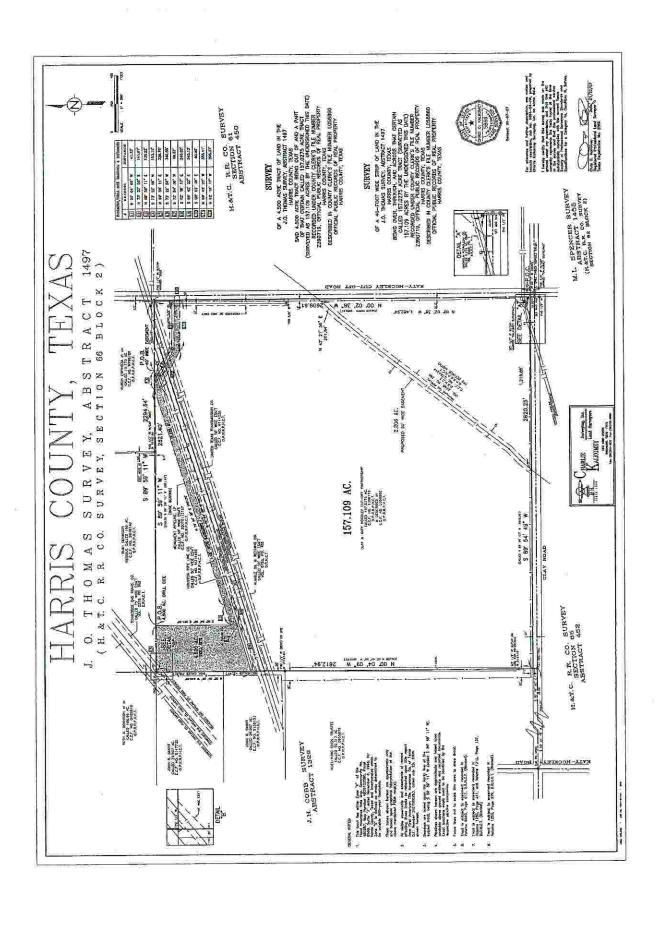


Exhibit C

FIELD NOTES FOR A 157.109 ACRE TRACT OF LAND IN THE H. & T. C. RAILROAD COMPANY SURVEY, SECTION 66, THE J. O. THOMAS SURVEY, ABSTRACT 1497, HARRIS COUNTY, TEXAS, SAID 157.109 ACRE TRACT BEING THAT CERTAIN CALLED 157.0275 ACRE TRACT RECORDED UNDER COUNTY CLERK'S FILE NUMBER Z390719,OFFICIAL PUBLIC RECORDS OF REAL PROPERTY, HARRIS COUNTY, TEXAS, AND DESCRIBED IN COUNTY CLERK'S FILE NUMBER L058860, OFFICIAL PUBLIC RECORDS OF REAL PROPERTY, HARRIS COUNTY, TEXAS, WITH ALL BEARINGS BASED UPON THE NORTH LINE OF SAID CALLED 157.0275 ACRE TRACT AS BEING NORTH 89 DEGREES 59 MINUTES 11 SECONDS EAST)

COMMENCING at a railroad road spike under an asphalt patch at the intersection of Clay Road and Katy-Hockley Cut-Off road, for the common corner of said J. O. Thomas Survey, Abstract 1497, the H. & T. C. Railroad Company Survey Section 61, Abstract 450, the M. L. Spencer Survey, Abstract 1455, and the H. & T. C. Railroad Company Survey Section 65, Abstract 452;

THENCE South 89 degrees 54 minutes 49 seconds West along the south line of said J. O. Thomas Survey, Abstract 1497, same being the north line of said H. & T. C. Railroad Company Survey Section 65, Abstract 452, as located in Clay Road, 30.00 feet to a Mag nail set on said line;

THENCE North 00 degrees 02 minutes 37 seconds West departing said line, 30.00 feet to a ½ inch iron pipe with cap marked "Kalkomey Surveying" set at the intersection of the north right-of-way line of Clay Road with the west right-of-way line of Katy-Hockley Cut-Off Road for the southeast corner of said called 157.0275 acre tract, and the southeast corner and Place of Beginning of the herein described tract;

THENCE South 89 degrees 54 minutes 49 seconds West (called South 89 degrees 59 minutes 02 seconds West) along the south line of the herein described tract and the south line of said called 157.0275 acre tract, same being the north right-of-way line of Clay Road, 2,620.25 feet (called 2,620.39 feet) to a point for the southwest corner of the herein described tract and southwest corner of said called 157.0275 acre tract, from which point a Mag nail set for the southwest corner of said J. O. Thomas Survey, Abstract 1497, same being the southeast corner of the adjoining J. H. Cobb Survey, Abstract 1329, and being in the north line said H. & T. C. Railroad Company Survey Section 65, Abstract 452, as located in Clay Road, bears South 00 degrees 04 minutes 09 seconds East, 30.00 feet;

THENCE North 00 degrees 04 minutes 09 seconds West (called North 00 degrees 01 minute 00 seconds West) along the west line of the herein described tract and the west line of said called 157.0275 acre tract, same being the east line of an adjoining called 20.317 acre tract recorded under County . Clerk's File Number G955879, Official Public Records of Real Property, Harris County, Texas, the east line of an adjoining called 26,907 acre tract described in deed recorded under County Clerk's File Number S138153, Official Public Records of Real Property, Harris County, Texas, and the east line of an adjoining called 26.907 acre tract described in deed recorded under County Clerk's File Number S147735, Official Public Records of Real Property, Harris County, Texas, same being the west line of said J. O. Thomas Survey, Abstract 1497, and the east line of said adjoining J. H. Cobb Survey, Abstract 1329, at 97.92 feet pass a 14 inch iron pipe with cap marked "Kalkomey Surveying" set on said line for reference, at 1,727.83 feet pass a 1/2 inch iron rod found on said line for the northeast corner of said adjoining called 20.317 acre tract, same being the southeast corner of said adjoining called 26.907 acre tract, and continuing for a total distance of 2,612.94 feet (called 2,610.02 feet) to a 1/2 inch iron rod found for the northwest corner of the herein described tract and the northwest corner of said called 157.0275 acre tract, same being the northeast corner of said adjoining called 26.907 acre tract, the southeast corner of an adjoining called 106,66 acre tract described in deed recorded under County Clerk's File Number D405518, Official Public Records of Real Property, Harris County, Texas, and the southwest corner of the adjoining residue of a called 160 acre tract recorded under County Clerk's File Number B648140, Official Public Records of Real Property, Harris County, Texas;

FHENCE. North 89 degrees 59 minutes 11 seconds East (called North 89 degrees 59 minutes 11 seconds East) along the north line of the herein described tract and the north line said called 157.0275 acre tract, same being the south line of said adjoining residue of a called 160 acre tract, and the south line of an adjoining called 10.770 acre tract described in deed recorded under County Clerk's File Number W798709, Official Public Records of Real Property, Harris County, Texas, at 1,553.50 feet pass a ½ inch iron rod with cap marked "2085" found on said line for the southwest corner of said adjoining called 10.770 acre tract, and continuing for a total distance of 2,621.40 feet (called 2,621.15 feet) to a ½ inch iron rod with cap marked "2085" found in the west right-of-way line of Katy-Hockley Cut-Off Road for the northeast corner of the herein described tract and the northeast corner of said called 157.0275 acre tract;

THENCE South 00 degrees 02 minutes 38 seconds East (called South) along the east line of the herein described tract and the east line of said called 157.0275 acre tract, same being the west right-of-way line of Katy-Hockley Cut-Off Road, 2,609.61 feet (called 2,609.91 feet) to the Place of Beginning and containing 157.109 acres of land, more or less.

For reference and further description see Survey Plat No. 0884-01-HA prepared by the undersigned on same date.

SBGA

Chris D. Kalkomey, R.P.E.S. Texas Registration Number 5869 January 22, 2007

Job Number 0884-01-HA REVISED: March 14, 2007

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Exhibit D

CHARLIE KALKOMEY SURVEYING, INC.

1815 MONS AVENUE ROSENBERG, TEXAS 77471 281 342-2033

FIELD NOTES FOR A 4.500 ACRE TRACT OF LAND IN THE J. O. THOMAS SURVEY, ABSTRACT 1497, HARRIS COUNTY, TEXAS, SAID 4.500 ACRE TRACT BEING OUT OF AND A PART OF THAT CERTAIN CALLED 157.0275 ACRE TRACT (SURVEYED AS 157.109 ACRES BY THE UNDERSIGNED THIS DATE) RECORDED IN COUNTY CLERK'S FILE NUMBER Z390719, OFFICIAL PUBLIC RECORDS OF REAL PROPERTY, HARRIS COUNTY, TEXAS, DESCRIBED IN COUNTY CLERK'S FILE NUMBER L058860, OFFICIAL PUBLIC RECORDS OF REAL PROPERTY, HARRIS COUNTY, TEXAS, WITH ALL BEARINGS BASED UPON THE NORTH LINE OF SAID CALLED 157.0275 ACRE TRACT AS BEING SOUTH 89 DEGREES 59 MINUTES 11 SECONDS WEST).

COMMENCING at a railroad road spike under an asphalt patch at the intersection of Clay Road and Katy-Hockley Cut-Off road, for the common corner of said J. O. Thomas Survey, Abstract 1497, the H. & T. C. Railroad Company Survey Section 61, Abstract 450, the M. L. Spencer Survey, Abstract 1455, and the H. & T. C. Railroad Company Survey Section 65, Abstract 452;

THENCE South 89 degrees 54 minutes 49 seconds West along the south line of said J. O. Thomas Survey, Abstract 1497, same being the north line of said H. & T. C. Railroad Company Survey Section 65, Abstract 452, as located in Clay Road, 30.00 feet to a Mag nail set on said line;

THENCE North 00 degrees 02 minutes 37 seconds West departing said line, 30.00 feet to a ½ inch iron pipe with cap marked "Kalkomey Surveying" set at the intersection of the north right-of-way line of Clay Road with the west right-of-way line of Katy-Hockley Cut-Off Road for the southeast corner of said called 157.0275 acre tract, and the southeast corner of said 157.109 acre tract;

THENCE North 00 degrees 02 minutes 38 seconds West (called North) along the east line of said called 157.0275 acre tract and the east line of said 157.109 acre tract, same being the west right-of-way line of Katy-Hockley Cut-Off Road, 2,609.61 feet to a ½ inch iron rod with cap marked "2085" found for the northeast corner of said called 157.0275 acre tract and the northeast corner of said 157.109 acre tract, and being in the south line of an adjoining called 10.770 acre tract recorded in County Clerk's File Number W798709, Official Public Records of Real Property, Harris County, Texas;

THENCE South 89 degrees 59 minutes 11 seconds West (called South 89 degrees 59 minutes 11 seconds West) along the north line of said called 157.0275 acre tract and the north line of said 157.109 acre tract, same being the south line of said adjoining called 10.770 acre tract, at 495.47 feet pass a point on said line for the northeast corner of an adjoining 40-foot wide strip of land surveyed by the undersigned this date, at 1,067.90 feet pass a ½ inch iron rod with cap marked "2085" found on said line for the southwest corner of said adjoining called 10.770 acre tract, same being the southeast corner of the adjoining residue of a called 160 acre tract recorded in County Clerk's File Number B648140, Official Public Records of Real Property, Harris County, Texas, and continuing for a total distance of 2,294.64 feet to a point on said line for the northeast corner and Place of Beginning of the herein described tract;

THENCE South 00 degrees 04 minutes 09 seconds East establishing the east line of the herein described tract, at 509.45 feet pass a point on said line for the lower northwest corner of the aforementioned adjoining 40-foot wide strip of land, and continuing for a total distance of 551.18 feet to a point for the southeast corner of the herein described tract, same being the southwest corner of said adjoining 40-foot wide strip of land, and being in the northwest line of an adjoining called 30-foot wide easement recorded in County Clerk's File Number 20070113167, Official Public Records of Real Property, Harris County, Texas;

THENCE South 73 degrees 22 minutes 56 seconds West along the southeast line of the herein described tract, same being the northwest line of said adjoining called 30-foot wide easement, 340.88 feet to a point for the southwest corner of the herein described tract, same being the lower northwest corner of said adjoining called 30-foot wide easement, said point also being in the west line of said called 157.0275 acre tract, the west line of the aforementioned 157.109 acre tract, and the west line of said J. O. Thomas Survey, Abstract 1497, same being the east line of the adjoining J. H. Cobb Survey, Abstract 1329, and the east line of an adjoining called 26.907 acre tract recorded in County Clerk's File Number S138153, Official Public Records of Real Property, Harris County, Texas;

THENCE North 00 degrees 04 minutes 09 seconds West (called North 00 degrees 01 minute 00 seconds West) along the west line of the herein described tract, the west line of said called 157.0275 acre tract, the west line of said 157.109 acre tract, and the west line of said J. O. Thomas Survey, Abstract 1497, same being the east line of said adjoining J. H. Cobb Survey, Abstract 1329, the east line of said adjoining called 26.907 acre tract, and the east line of an adjoining called 26.907 acre tract recorded in County Clerk's File Number S147735, Official Public Records of Real Property, Harris County, Texas, 648.59 feet to a ½ inch iron rod found for the northwest corner of the herein described tract, the northwest corner of said called 157.0275 acre tract, and the northwest corner of said 157.109 acre tract, same being the northeast corner of the second-mentioned adjoining called 26.907 acre tract, the southeast corner of an adjoining called 106.66 acre tract recorded in County Clerk's File Number D405518, Official Public Records of Real Property, Harris County, Texas, and the southwest corner of the aforementioned adjoining residue of a called 160 acre tract;

THENCE North 89 degrees 59 minutes 11 seconds East (called North 89 degrees 59 minutes 11 seconds East) along the north line of the herein described tract, the north line of said called 157.0275 acre tract, and the north line of said 157.109 acre tract, same being the south line of said adjoining residue of a called 160 acre tract, 326.76 feet to the Place of Beginning and containing 4.500 acres of land, more or less.

For reference and further description see Survey Plat No. 0884-04-HA prepared by the undersigned on same date.

Chris D. Kalkomey, R.P.L.S. Texas Registration Number 5869 January 22, 2007

Job Number 0884-04-HA

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Exhibit E

CHARLIE KALKOMEY SURVEYING, INC.

1815 MONS AVENUE ROSENBERG, TEXAS 77471 281 342-2033

FIELD NOTES FOR A 40-FOOT WIDE STRIP OF LAND IN THE J. O. THOMAS SURVEY, ABSTRACT 1497, HARRIS COUNTY, TEXAS, BEING OVER, THROUGH, AND ACROSS THAT CERTAIN CALLED 157.0275 ACRE TRACT (SURVEYED AS 157.109 ACRES BY THE UNDERSIGNED THIS DATE) RECORDED UNDER COUNTY CLERK'S FILE NUMBER Z390719, OFFICIAL PUBLIC RECORDS OF REAL PROPERTY, HARRIS COUNTY, TEXAS, DESCRIBED IN COUNTY CLERK'S FILE NUMBER L058860, OFFICIAL PUBLIC RECORDS OF REAL PROPERTY, HARRIS COUNTY, TEXAS, WITH ALL BEARINGS BASED UPON THE NORTH LINE OF SAID CALLED 157.0275 ACRE TRACT AS BEING SOUTH 89 DEGREES 59 MINUTES 11 SECONDS WEST).

COMMENCING at a railroad road spike under an asphalt patch at the intersection of Clay Road and Katy-Hockley Cut-Off road, for the common corner of said J. O. Thomas Survey, Abstract 1497, the H. & T. C. Railroad Company Survey Section 61, Abstract 450, the M. L. Spencer Survey, Abstract 1455, and the H. & T. C. Railroad Company Survey Section 65, Abstract 452;

THENCE South 89 degrees 54 minutes 49 seconds West along the south line of said J. O. Thomas Survey, Abstract 1497, same being the north line of said H. & T. C. Railroad Company Survey Section 65, Abstract 452, as located in Clay Road, 30.00 feet to a Mag nail set on said line;

THENCE North 00 degrees 02 minutes 38 seconds West departing said line, 30.00 feet to a ½ inch iron pipe with cap marked "Kalkomey Surveying" set at the intersection of the north right-of-way line of Clay Road with the west right-of-way line of Katy-Hockley Cut-Off Road for the southeast corner of said called 157.0275 acre tract, and the southeast corner of said 157.109 acre tract;

THENCE North 00 degrees 02 minutes 38 seconds West (called North) along the east line of said called 157.0275 acre tract and the east line of said 157.109 acre tract, same being the west right-of-way line of Katy-Hockley Cut-Off Road, 2,609.61 feet to a ½ inch iron rod with cap marked "2085" found for the northeast corner of said called 157.0275 acre tract and the northeast corner of said 157.109 acre tract, and being in the south line of an adjoining called 10.770 acre tract recorded in County Clerk's File Number W798709, Official Public Records of Real Property, Harris County, Texas:

THENCE South 89 degrees 59 minutes 11 seconds West (called South 89 degrees 59 minutes 11 seconds West) along the north line of said called 157.0275 acre tract and the north line of said 157.109 acre tract, same being the south line of said adjoining called 10.770 acre tract, 495.47 feet to a point on said line for the northeast corner and Place of Beginning of the herein described 40-foot wide strip of land;

THENCE South 72 degrees 54 minutes 38 seconds West along the southeast line of the herein described 40-foot wide strip of land, at 26.98 feet pass a point on said line for the most northerly corner of an adjoining called 30-foot wide easement recorded under County Clerk's File Number 20070113167, Official Public Records of Real Property, Harris County, Texas, and continuing for a total distance of 69.57 feet to a point for a reentry corner of the herein described 40-foot wide strip of land;

THENCE South 62 degrees 18 minutes 17 seconds East crossing said adjoining called 30-foot wide easement, at 42.59 feet pass a point on said line for a reentry corner to said adjoining called 30-foot wide easement, and continuing for a total distance of 245.02 feet to a point for corner, same being a corner of said adjoining called 30-foot wide easement;

THENCE South 89 degrees 42 minutes 22 seconds East along the common line of the herein described 40-foot wide strip of land and said adjoining called 30-foot wide easement, at 306.15 feet pass a point on said line for a reentry corner to said adjoining called 30-foot wide easement, and continuing for a total distance of 345.13 feet to a point in the east line of the aforementioned 157.109 acre tract, same being the west right-of-way line of Katy-Hockley Cut-Off Road, for the most easterly northeast corner of the herein described 40-foot wide strip of land;

THENCE South 00 degrees 02 minutes 38 seconds East along the lower east line of the herein described 40-foot wide strip and the east line of said 157.109 acre tract, same being the west right-of-way line of Katy-Hockley Cut-Off Road, 40.00 feet to a point for the most easterly southeast corner of the herein described 40-foot wide strip of land;

THENCE North 89 degrees 42 minutes 22 seconds West establishing a south line of the herein described 40-foot wide strip of land, 355.11 feet to a point for corner;

THENCE North 62 degrees 18 minutes 17 seconds West establishing a southwest line of the herein described 40-foot wide strip of land, crossing the aforementioned adjoining called 30-foot wide easement, 295.07 feet to a point for a reentry corner of the herein described 40-foot wide strip of land, said point being in the northwest line of said adjoining called 30-foot wide easement;

THENCE South 72 degrees 54 minutes 38 seconds West along the southeast line of the herein described 40-foot wide strip of land, same being the northwest line of said adjoining called 30-foot wide easement, 1,601.73 feet to a point on said line for angle point, same being an angle point in the northwest line of said adjoining called 30-foot wide easement;

THENCE South 73 degrees 22 minutes 56 seconds West along the southeast line of the herein described 40-foot wide strip of land, same being the northwest line of said adjoining called 30-foot wide easement, 153.12 feet to a point for the south corner of the herein described 40-foot wide strip of land, said point also being the southeast corner of an adjoining 4.500 acre tract surveyed by the undersigned this date;

THENCE North 00 degrees 04 minutes 09 seconds West along the west line of the herein described 40-foot wide easement, same being the east line of said adjoining 4.500 acre tract, 41.73 feet to a point for the lower northwest corner of the herein described 40-foot wide strip of land;

THENCE North 73 degrees 22 minutes 56 seconds East establishing the northwest line of the herein described 40-foot wide strip of land, 141.07 feet to a point on said line for angle point;

THENCE North 72 degrees 54 minutes 38 seconds East establishing the northwest line of the herein described 40-foot wide strip of land, 1,597.70 feet to a point in the north line of said called 157.0275 acre tract and the north line of said 157.109 acre tract, same being the south line of the aforementioned adjoining called 10.770 acre tract, for the upper northwest corner of the herein described 40-foot wide strip of land;

THENCE North 89 degrees 59 minutes 11 seconds East (called North 89 degrees 59 minutes 11 seconds East) along the north line of the herein described 40-foot wide strip of land, the north line of said called 157.0275 acre tract, and the north line of said 157.109 acre tract, same being the south line of said adjoining called 10.770 acre tract, 136.22 feet to the Place of Beginning and containing 2.232 acres of land, more or less.

For reference and further description see Survey Plat No. 0884-04-HA prepared by the undersigned on same date.

Chris D. Kalkomey, R.P.L.S Texas Registration Number 5869 January 22, 2007

Job Number 0884-04-HA REVISED: September 7, 2007

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